

**Large Agency
Chief Financial Officers' Meeting Minutes
February 28, 2012**

PARTICIPANTS:

Joe Whitmer, ADA
Cheryl Toone, ADA/Risk Management
Sheryl Bodmer, DCA
Tim Newton, DEA
Todd Bright, DEA
Li Li, DJA
Keith Fallstrom, DTA
Mike Clark, EVA
John Moorman, HCA
John Lake, HSA
Chuck LeBlanc, PSA
Joan Jones, RVA
Syndia Reeder, WCA
Clark Partridge, ADA/GAO via phone
Mike Smarik, ADA/GAO
Anita Kleinman, ADA/GAO
Joanna Greenaway, ADA/GAO
Stu Wilbur, ADA/GAO
Tami Eckloff, ADA/GAO
Jaimie Soulvie, ADA/GAO
Angela Dillard, ADA/GAO
Ron Santa Cruz, ADA/GAO

ITEMS COVERED

Mike Smarik – Welcome

AFIS Replacement – Clark Partridge

We continue to meet with the focus groups. We are currently looking at where we are now with our various systems capabilities and link that to getting sufficient funding from the Legislature to be able to move forward with the project. We are looking at trying to keep the HRIS system and potentially ProcureAZ. The recommendation from STA is that we keep ProcureAZ and HRIS and move forward with the replacement of the accounting system. The requirements process is not complete yet. We will be looking at how we put the RFP together.

Q: Because of the restricted budget for the new system, what major items have had to be eliminated?

A: We have not eliminated anything at this time. We are still trying to best utilize the position that the State is in to move forward. The analysis has revealed that we are doing more with HRIS than many others are able to do with ERPs. Therefore the recommendation has been made to keep HRIS at this point. The areas that states struggle with the most in implementing an ERP system are employee time entry and procurement.

Q: Does this mean we are keeping some of our current programs but just making them speak to each other better?

A: It depends on what they are. We are looking at the approach to fleet management. We may be able to incorporate what we currently have. However for facilities management, we will probably need something new.

Q: Is the main AFIS financial system getting replaced?

A: Absolutely. The replacement of AFIS is the catalyst to move us forward. AFIS does not meet some of the large agencies needs. There are increasing vulnerabilities and risks with AFIS that are not longer acceptable.

Single Audit – Anita Kleinman

The audit teams from the Auditor General's Office are trying to wrap up their work at the agencies. We are trying to obtain a status update for prior year findings. If you receive findings, please get them through your agency as soon as possible and back to the auditors. We are still trying to meet the March 31st filing deadline. If you need assistance, please contact us.

Today OMB has published revised documents concerning the Single Audit. They are proposing changes in the thresholds. The goal is to try to eliminate some of the work the auditors are performing under the Single Audit and refocus efforts in other areas such as improper payments. We will post an article with a reference to the OMB circular so that you can review it and make comments. NASACT is planning on responding. The State of Arizona will need to have comments in to NASACT by March 14th. There are some fairly substantial changes. We will look at scheduling something in the next week or so to have a discussion with you and your grant staff on what you think of this topic. Forward any comments to Anita.Kleinman@azdoa.gov.

AFIS Clean Up – Anita Kleinman

If you have old grant balances on AFIS, please clean them up. We only want to take clean, current, valid information into the new system.

CAFR – Ron Santa Cruz

The hard copies of the CAFR were received this morning and have been turned over to the Auditor General's Office. They should be doing their mailing in the next day or so before we can do our official issuance. The CAFR will then be posted to the GAO website. We will then start working on 2012 timelines.

Other Issues/Concerns – Mike Smarik

None.

Future Agenda Items

AFIS Training

NSF & Favorable/ Unfavorable Deposits Cleanup Project

If you have any questions or concerns, please contact the GAO.

Meeting adjourned at 2:27 p.m.

The next meeting is scheduled for Tuesday, March 27, 2012, at 2:00 p.m. in the General Accounting Office.